

House Study Bill 237 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON SODERBERG)

A BILL FOR

1 An Act providing for eligibility and identity verification
2 procedures for certain state programs and services and
3 including implementation provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

ELIGIBILITY VERIFICATION — UNEMPLOYMENT INSURANCE

Section 1. NEW SECTION. 96.55 Eligibility verification procedures.

1. The department shall establish procedures to accurately verify the eligibility to receive benefits of each individual filing a claim for benefits in order to prevent payment of fraudulent or erroneous benefits. The procedures shall include but not be limited to the following components:

a. A requirement that each individual filing a claim for benefits provide correct answers to randomized questions relating to the individual's identity.

b. A process to prevent an individual from filing a claim for benefits using an internet service provider that is not located in the United States.

c. A process to prevent an individual who is ineligible for benefits due to the individual's incarceration in a jail, prison, or other correctional institution or facility from filing a claim for benefits or receiving benefits. The department shall coordinate the administration of this process with the department of corrections and federal, state, and local law enforcement agencies. The department of corrections and state and local law enforcement agencies shall cooperate with the department in the administration of this process.

2. The department may utilize one or more requests for proposals to administer this section. The department may enter into agreements pursuant to chapter 28E to administer this section. The department shall utilize existing information technology resources of state and local government to administer this section where practicable.

Sec. 2. IMPLEMENTATION — REPORT. The department of workforce development shall implement the procedures required by this division of this Act no later than June 30, 2016. The department shall submit a report on the department's progress in implementing the procedures required by this division

1 of this Act to the general assembly by December 15, 2015.
2 The report shall include any statutory changes necessary to
3 facilitate the implementation of this division of this Act.

4 DIVISION II

5 IDENTITY VERIFICATION — INCOME TAXES

6 Sec. 3. Section 421.17, Code 2015, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 35. *a.* To establish procedures to
9 accurately verify the identity of taxpayers who file income tax
10 returns in order to prevent issuance of fraudulent or erroneous
11 refunds. Such procedures may include but need not be limited
12 to identity verification requests made to persons outside
13 the department such as local, state, and federal agencies,
14 or private third-party service providers, and identity
15 confirmation questionnaires or inquiries made to taxpayers.
16 The confidentiality provisions of sections 422.20 and 422.72 do
17 not apply to information provided by the department to outside
18 persons pursuant to this subsection.

19 *b.* The director shall establish procedures to prevent income
20 tax returns from being filed using an internet service provider
21 that is not located in the United States.

22 *c.* The director may utilize one or more requests for
23 proposals to administer this subsection. The director shall
24 utilize existing information technology resources of state
25 and local government to administer this subsection where
26 practicable.

27 Sec. 4. IMPLEMENTATION — REPORT. The director of revenue
28 shall implement the procedures required by this division of
29 this Act no later than January 1, 2016. The director shall
30 submit a report on the director's progress in implementing the
31 procedures required by this division of this Act to the general
32 assembly by October 3, 2016. The report shall include any
33 statutory changes necessary to facilitate the implementation
34 of this division of this Act.

35 DIVISION III

1 ELIGIBILITY VERIFICATION — MEDICAID

2 Sec. 5. MEDICAID PROGRAM — ELIGIBILITY VERIFICATION
3 SYSTEM. The department of human services shall ensure during
4 the fiscal year beginning July 1, 2015, that the department's
5 Medicaid program eligibility system, the eligibility integrated
6 application solution (ELIAS), is capable of accurately
7 verifying the identity of individuals for the purposes of
8 initial eligibility and redetermination of eligibility for
9 the Medicaid program. Until such time as ELIAS is capable
10 of such verification, however, the department shall issue a
11 request for proposals to contract with a third-party vendor to
12 provide this function. The department shall submit a report
13 on the department's progress in implementing this section to
14 the general assembly by December 15, 2015. The report shall
15 include any statutory changes necessary to facilitate the
16 implementation of this section.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 DIVISION I — ELIGIBILITY VERIFICATION — UNEMPLOYMENT

21 INSURANCE. This bill requires the department of workforce
22 development to establish procedures no later than June
23 30, 2016, to accurately verify the eligibility to receive
24 unemployment insurance benefits of each individual filing a
25 claim for benefits in order to prevent payment of fraudulent
26 or erroneous benefits.

27 The procedures must include but are not limited to a
28 requirement that each individual filing a claim for benefits
29 provide correct answers to randomized questions relating to the
30 individual's identity. The procedures must include a process
31 to prevent an individual from filing a claim for benefits
32 using an internet service provider that is not located in
33 the United States. The procedures must include a process to
34 prevent an individual who is ineligible for benefits due to
35 the individual's incarceration in a jail, prison, or other

1 correctional institution or facility from filing a claim for
2 benefits or receiving benefits.

3 The bill permits the department to utilize one or more
4 requests for proposals or enter into agreements pursuant to
5 Code chapter 28E relating to the joint exercise of governmental
6 powers to administer the bill. The bill requires the
7 department to utilize existing information technology resources
8 of state and local government to administer the bill where
9 practicable.

10 The bill requires the department to submit a report on the
11 department's progress in implementing the procedures required
12 by the bill to the general assembly by December 15, 2015.
13 The report must include any statutory changes necessary to
14 facilitate implementation of the bill.

15 DIVISION II — IDENTITY VERIFICATION — INCOME TAXES. The
16 bill requires the director of revenue (director) to establish
17 procedures no later than January 1, 2016, to accurately verify
18 the identity of taxpayers who file income tax returns in order
19 to prevent issuance of fraudulent or erroneous refunds. Such
20 procedures may include identity verification requests made
21 to outside persons and identity confirmation questionnaires
22 or inquiries made to taxpayers. Code provisions relating
23 to confidentiality of taxpayer information do not apply to
24 information provided by the department of revenue to persons
25 outside the department for purposes of identity verification.
26 The bill also requires the director to establish procedures to
27 prevent income tax returns from being filed using an internet
28 service provider that is not located in the United States.

29 The bill permits the director to utilize one or more requests
30 for proposals to administer the bill and requires the director
31 to utilize existing information technology resources of state
32 and local government to administer the bill where practicable.

33 The bill requires the director to submit a report on the
34 director's progress in implementing the procedures required
35 by the bill to the general assembly by October 3, 2016.

1 The report must include any statutory changes necessary to
2 facilitate implementation of the bill.

3 DIVISION III — ELIGIBILITY VERIFICATION — MEDICAID.

4 The bill directs the department of human services (DHS) to
5 ensure during the fiscal year beginning July 1, 2015, that the
6 Medicaid program eligibility system, the eligibility integrated
7 application solution (ELIAS), is capable of accurately
8 verifying the identity of individuals for the purposes of
9 initial eligibility and redetermination of eligibility for the
10 Medicaid program. Until such time as ELIAS is capable of such
11 verification, however, DHS is directed to issue a request for
12 proposals to contract with a third-party vendor to provide
13 this function. The bill requires the department to submit a
14 report on the department's progress in implementing the bill
15 to the general assembly by December 15, 2015. The report must
16 include any statutory changes necessary to facilitate the
17 implementation of the bill.